

(p) This section takes effect September 1, 1989. This subsection expires September 2, 1989.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held on November 3, 1987. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment establishing an economic stabilization fund in the state treasury to be used to offset unforeseen shortfalls in revenue."

Passed by the House on May 8, 1987, by the following vote: Yeas 130, Nays 0, 1 present, not voting; that the House refused to concur in Senate amendments to H.J.R. No. 2 on May 22, 1987, by a non-record vote, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.J.R. No. 2 on May 27, 1987, by the following vote: Yeas 141, Nays 1, 1 present, not voting. Passed by the Senate, with amendments, on May 20, 1987, by the following vote: Yeas 30, Nays 0; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.J.R. No. 2 on May 27, 1987, by the following vote: Yeas 30, Nays 0.

Filed with the Secretary of State, May 30, 1987.

H.J.R. No. 4

HOUSE JOINT RESOLUTION

proposing a constitutional amendment authorizing the legislature to provide for the issuance of bonds and state financing of development and production of Texas products and businesses.

Be it resolved by the Legislature of the State of Texas:

SECTION 1. Article XVI of the Texas Constitution is amended by adding Section 72 to read as follows:

Sec. 72. (a) The legislature by law may establish a Texas product development fund to be used without further appropriation solely in furtherance of a program established by the legislature to aid in the development and production of new or improved products in this state. The fund shall contain a program account, an interest and sinking account, and other accounts authorized by the legislature. To carry out the program authorized by this subsection, the legislature may authorize loans, loan guarantees, and equity investments using money in the Texas product development fund and the issuance of up to \$15 million of general obligation bonds to provide initial funding of the Texas product development fund. The Texas product development fund is composed of the proceeds of the bonds authorized by this subsection, loan repayments, guarantee fees, royalty receipts, dividend income, and other amounts received by the state from loans, loan guarantees, and equity investments made under this subsection and any other amounts required to be deposited in the Texas product development fund by the legislature.

(b) The legislature by law may establish a Texas small business incubator fund to be used without further appropriation solely in furtherance of a program established by the legislature to foster and stimulate the development of small businesses in the state. The fund shall contain a project account, an interest and sinking account, and other accounts authorized by the legislature. A small business incubator operating under the program is exempt from ad valorem taxation in the same manner as an institution of purely public charity under Article VIII, Section 2, of this constitution. To carry out the program authorized by this subsection, the legislature may authorize loans and grants of money in the Texas small business incubator fund and the issuance of up to \$10 million of general obligation bonds to provide initial funding of the Texas small business incubator fund. The Texas small business incubator fund is composed of the proceeds of the bonds authorized by this subsection, loan repayments, and other amounts received by the state for loans or grants made under this

subsection and any other amounts required to be deposited in the Texas small business incubator fund by the legislature.

(c) The legislature by law may establish a Texas agricultural fund to be used without further appropriation solely in furtherance of a program established by the legislature to foster and stimulate the production, processing, and marketing of agricultural crops and products grown or produced primarily in Texas by small agricultural businesses domiciled in Texas. The fund shall contain a program account, an interest and sinking account, and other accounts authorized by the legislature. To carry out the program authorized by this subsection, the legislature may authorize issuance of general obligation bonds in the amount of \$100 million outstanding at one time, and financial assistance including, among other things, loan guarantees, insurance, coinsurance, direct or indirect loans, or purchases or acceptances of loans or other obligations. The Texas agricultural fund is composed of the proceeds of the bonds authorized by this subsection, loan repayments, and other amounts received by the state for loans made under this subsection, and any other amounts deposited in the Texas agricultural fund by the legislature or other parties.

(d) The legislature may require review and approval of the issuance of bonds under this section, of the use of the bond proceeds, or of the rules adopted by an agency to govern use of the bond proceeds. Notwithstanding any other provision of this constitution, any entity created or directed to conduct this review and approval may include members, or appointees of members, of the executive, legislative, and judicial departments of state government.

(e) Bonds authorized under this section constitute a general obligation of the state. While any of the bonds or interest on the bonds is outstanding and unpaid, there is appropriated out of the first money coming into the treasury in each fiscal year, not otherwise appropriated by this constitution, the amount sufficient to pay the principal of and interest on the bonds that mature or become due during the fiscal year, less any amount in any interest and sinking account at the end of the preceding fiscal year that is pledged to payment of the bonds or interest.

SECTION 2. This proposed amendment shall be submitted to the voters at an election to be held November 3, 1987. The ballot shall be printed to provide for voting for or against the proposition: "The constitutional amendment authorizing the legislature to provide for state financing of the development and production of Texas products and businesses."

Passed by the House on April 7, 1987, by the following vote: Yeas 119, Nays 26; and that the House concurred in Senate amendments to H.J.R. No. 4 on May 20, 1987, by the following vote: Yeas 136, Nays 0, 1 present, not voting. Passed by the Senate, with amendments, on May 14, 1987, by the following vote: Yeas 30, Nays 0.

Filed with the Secretary of State, May 22, 1987.

H.J.R. No. 5

HOUSE JOINT RESOLUTION

proposing a constitutional amendment authorizing the legislature to provide assistance to encourage economic development in the state.

Be it resolved by the Legislature of the State of Texas:

SECTION 1. Article III of the Texas Constitution is amended by adding Section 52-a to read as follows:

Sec. 52-a. Notwithstanding any other provision of this constitution, the legislature may provide for the creation of programs and the making of loans and grants of public money, other than money otherwise dedicated by this constitution to use for a different purpose, for the public purposes of development and diversification of the economy of the state, the elimination of unemployment or underemployment in the state, the stimulation of agricultural innovation, the fostering of the growth of enterprises based on agriculture, or the development or expansion of transportation